

DECISION

**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D. C. 20548

FILE: B-206879.2

DATE: December 20, 1982

MATTER OF: Compressor Engineering Corporation--
Reconsideration

DIGEST:

Request for reconsideration of decision upholding agency's determination to restrict procurement of spare air compressor parts to original equipment manufacturer's parts is denied where request for reconsideration does not show errors of fact or law in original decision. Therefore, prior decision is affirmed.

Compressor Engineering Corporation (CECO) requests reconsideration of our decision in Compressor Engineering Corporation, B-206879, October 29, 1982, 82-2 CPD 383. We denied CECO's protest against award of a contract by the Defense Construction Supply Center (DCSC) to Ingersoll-Rand Company under solicitation No. DLA700-81-R-3966 for the supply of 29 cylinder sleeves for use by the Department of the Navy in low pressure air compressors installed on various Navy combat ships. We upheld the restriction of the procurement to only firms supplying Ingersoll-Rand parts on the basis that the Navy and DCSC did not have fully adequate data or sufficient test results to conduct the procurement on an unrestricted basis to assure the requisite reliability and interchangeability of parts in accord with Defense Acquisition Regulation (DAR) § 1-313 (1976 ed.). The facts were fully set forth in our prior decision and will only be repeated here insofar as is necessary to resolve CECO's request.

CECO contends that our decision was based upon factual and legal errors and requests reconsideration under section 21.9(a) of our Bid Protest Procedures. 4 C.F.R. part 21 (1982). We do not agree with CECO's arguments and, therefore, the October 29 decision is affirmed.

CECO first argues that we erred because our decision was based in part upon the fact that the part being procured, a cylinder sleeve, was described as a "critical application item" in the solicitation; CECO contends that the Navy did not list the part as a "Restricted Source" part on form 1418 until approximately 9 months after the solicitation was issued. We disagree with CECO's analysis.

We were fully aware at the time we issued our decision that the part in question was not listed as a "restricted source" item by the Navy on its form 1418 when the solicitation was issued or when CECO's proposal was being evaluated. In our opinion, the failure to list the part as critical was not determinative, especially since the solicitation itself put offerors on notice that the part was considered to be critical by the Navy and listed Ingersoll-Rand's part number for parts to be supplied. The crucial point is that this cylinder sleeve is critical because the performance of the parts directly affects the performance of compressors on board Navy destroyers. The cylinder sleeves are essential to the functioning of the compressors which are used with sonar dome service and weapons handling systems on a certain class of Navy destroyers. Thus, the proper functioning of these parts is critical to the attack readiness of certain of the Navy's combat ships. Accordingly, this point of CECO's request for reconsideration is denied.

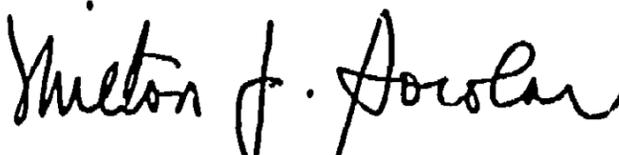
Next, CECO argues that it had supplied these parts on a previous procurement and had not received any discrepancy reports from the Navy showing that its parts were unsatisfactory. CECO equates the use of its parts by the Navy without reported failures with successful operational testing.

While the Navy did not specifically cite CECO's cylinder sleeves for unsatisfactory performance, the Navy had experienced an extremely high failure rate in its shipboard compressors, including those using CECO parts. In an effort to eliminate these compressor failures, the Navy was requiring spare parts suppliers to have their parts performance tested to the same degree as the parts of the original equipment manufacturers. As held in the earlier decision, the testing requirement was not unreasonable in such circumstances. Thus, we are not persuaded by this argument for reconsideration.

Finally, CECO argues that it was illogical for the Navy to approve the CECO cylinder sleeves for only one procurement (the procurement under which CECO had been awarded the earlier contract). Therefore, CECO contends that its cylinder sleeves must be deemed acceptable for all future procurements in the absence of any discrepancy reports. We do not agree.

As stated in the October 29 decision, CECO's cylinder sleeves were approved without performance testing by the Navy's then recognized engineering support activity. Furthermore, the record showed that the Navy only approved CECO's parts for that particular procurement. After experiencing the excessively high failure rate in its ship-board compressors, the Navy's new engineering support activity decided to require all suppliers other than original equipment manufacturers to have their parts qualified or requalified by using operational testing--as the original equipment parts had been tested. Thus, whether CECO's cylinder sleeves were approved for only one procurement (as the record shows) or whether the approval was revoked because of the high number of equipment failures, we cannot find that the requirement for operational testing was unreasonable. Thus, we remain unconvinced by this portion of CECO's request for reconsideration.

Accordingly, CECO has not shown any errors of fact or law in our October 29 decision. Therefore, we find CECO's request for reconsideration to be without merit and affirm our prior decision.

for 
Comptroller General
of the United States